

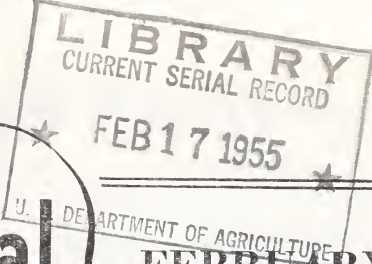
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THE Agricultural Situation



FEBRUARY 1955

Volume 39, Number 2

Producers Benefit By Canned Foods Drive

GROWERS of sweet corn and snap beans have a special interest in next month's industry-government campaign for moving canned corn and canned snap beans to consumers, since heavy 1954-55 supplies threaten reduced markets for this season's crops.

Last year's high-level packs of canned corn and canned snap beans (both green and wax varieties) combine with carryovers from the previous year to make 1954-55 supplies of the 2 foods especially heavy. When such canned supplies burden the market, processors often are unable to buy as much produce as usual. And when they buy less, the fresh market becomes burdened, bringing prices down. Movement of the canned products thus concerns both the farmer whose only outlet is the processing plant, and the farmer who can sell either to a plant or on the fresh market.

These facts set the stage for the March 17-26 campaign to move supplies of canned corn and canned snap beans through regular marketing chan-

nels. The campaign has the vigorous support of processors and other food trades groups, and the Department of Agriculture. The Department is co-operating with a Special Plentiful Foods Program. National Canned Corn Week also occurs during March 21-26.

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The Agricultural Situation is sent free to crop, livestock, and price reporters in connection with their reporting work. Subscription rates at bottom of this page.

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Outlook Highlights

. . . February 1955

EXPORTS of agricultural products in July-October increased 3 percent from year-earlier levels and are expected to increase further in coming months. Foreign economic activity has risen substantially, last few years, and gold and dollar reserves are at record levels. In addition our Government has initiated a number of new programs to stimulate exports of surplus agricultural products. These new programs are expected to play an increasingly important part in export totals during remainder of the year.

For the present fiscal year (1954-55) cotton exports may be up a fifth from 1953-54, wheat as much as a sixth, tobacco about a tenth. Gains also are likely for fats and oils, fruits, dairy products, barley and grain sorghums. Total farm exports this fiscal year probably will be up a tenth from last year.

Here at home, consumers in recent months have been receiving record income, and they have been spending at record rates. Business has improved and is likely to stay high during the next few months. Industrial produc-

tion, stimulated by heavy output of autos and steel, has increased. Number of new houses started, and building contracts awarded, assures high volume of construction for some time. Business spending for new plants and equipment continues to ease lower but expenditures by State and local governments are increasing.

Meat Animals

The 3-year increase in slaughter of cattle probably ended last fall and stability is likely the next year or so. The large number of cattle on farms assures high slaughter in 1955, though probably below 1954. This, along with prospect for continued strong demand, points to stability in prices. Fluctuations by season and by grades must be expected, but marked changes are unlikely. Most likely to upset this forecast would be *drought*, which could result in heavier marketing than now seems likely.

Pork production, contrary to beef, will be higher this year than in 1954. Last fall's pig crop, most of which will be marketed in the first half of 1955, was up 16 percent. The 1955 spring crop, most of which will be sold next fall, is expected to be 5 percent above last spring's crop. Hog prices this spring are expected to stay below high prices of a year earlier, but in the fall prices are not likely to be greatly below year earlier.

Dairy Products

Milk production this year is expected to be near the 1954 total of 124 billion pounds, if weather is normal. With consumption likely to rise, the surplus is expected to be smaller than either of the last 2 years.

Eggs and Poultry

Laying flocks were culled more rapidly this fall than in other recent years. On January 1 the number of layers on farms was 1 percent above a year earlier. On October 1, it was up 8 percent.

(Continued from cover page)

The 1954 pack of canned snap beans hit a record level with 27,069,000 cases (based on 24 No. 2 cans). The carryover of 4,632,000 cases increases total supply for the 1954-55 pack year to about 31.7 million cases. The 1954 pack of canned corn, amounting to 30,619,000 cases (again based on cases of 24 No. 2 cans), combined with the carryover of 7,927,000 cases, makes the heaviest supply we've had since the 1949-50 season.

The canned corn-canned snap beans campaign extends over a two week-end period, during which food trades groups will call public attention to plentiful supplies, attractive consumer prices, and good eating qualities of the two products.

—The End

(Continued on page 13)

"Smokey" Aids Milk Campaign

HELP for milk producers grappling with the current surplus problem is coming from a new quarter. Smokey, the famous "forest fire preventin' bear," has donated his services to the industry-government campaign for increasing milk consumption.

In a recently released television film, "A Toast To Smokey," Smokey asks children everywhere to drink more milk. He pointed out that little trees and children alike need nourishment and protection from harm—and that drinking lots of good, fresh milk helps children grow big and strong—just as preventing fires helps little trees grow big and strong.

"A Toast To Smokey" is a 1-minute television film produced by the Department of Agriculture to help boost current consumption by children and bring about future expansion of milk markets, and to improve children's health by encouraging the milk-drinking habit. It is designed for use by television stations either as a spot announcement or for inclusion in children's programs. The National Dairy Council, a producer-supported dairy promotion organization, has arranged for a full-color version to be circulated through its film library and used on color television.

Smokey A Children's Favorite

Smokey's popularity and appeal to children are expected to contribute much toward putting the milk-consumption campaign across. In his fight against forest fires, Smokey has been a model for posters and cartoons, a movie actor, a radio and television personality, and a constant reminder of the need to be careful with fire. Forest Service officials give him major credit for the 18-percent drop in forest fires from 1952 to 1953.

Smokey's activities are controlled by an Act of Congress (*the "Smokey Bear Act"*) in behalf of forest fire prevention. Administrators of the Smokey



Bear Act consider the milk program's success so important that they authorized Smokey's participation in this campaign.

Record Milk Production in 1954

Production and distribution of the color film continues the industry-government effort to increase milk usage as a solution to current and future milk marketing difficulties. Estimated milk production on farms during 1954 reached an all-time high of 123.8 billion pounds—2 percent more than the previous high of 121.2 billion pounds produced in 1953, and over 7 billion pounds more than the 1943–52 average of 116.4 billion pounds. In addition, production has passed its seasonal low and will be increasing during the spring months.

"A Toast To Smokey" is the first food-promotional film made for television use under a new form of arrangement which provides for "cooperative agreements" between private groups and federal agencies in producing such films. The Department is distributing the black-and-white version to some 425 television stations across the nation, urging them to show the film as a public service. At the same time, the National Dairy Council's 81 offices throughout the country are actively promoting the color version.

Lynn Kennon
Agricultural Marketing Service

"Bert" Newell's Letter

To Crop and Livestock Reporters

THE OTHER NIGHT my wife remarked that her typewriter was a little sticky and wondered if I had a little light oil that she could use. "Oh," I said in a superior sort of way, "I'll take care of that after dinner so the machine will be ready for you tomorrow morning." Well, she was delighted because she said that she had a lot of typing to do and it would be a big lift if I would take care of the oiling job.

Say, did you ever get out on a limb with a remark like that? I thought it would be a rather simple matter to squirt a little oil here or there, and that would be that. Now, maybe you know all about typewriters, but I'll have to admit now that I don't.

There are more little bars and wheels, and hickeys and things underneath the typewriter than you can shake a stick at. Well, it soon became evident that it wasn't going to be a simple matter of squirting a little oil around, so I set to work with a toothpick and my smallest oilcan to make good on my boast.

Now I know I should have known better than to get myself in such a fix because we are always running into people who tell us what a simple matter it is to produce facts and figures for a particular new report that they would like to have.

Last year, for example, we were being pushed pretty hard to collect some information for a monthly report and had to defer . . . because I knew it would be a lot of extra work (our fellows are already putting in a tremendous amount of overtime, for which they get no pay). Finally, one fellow from a trade group said that he would get the information . . . said it didn't amount to anything but sending out a postcard and then adding up the figures when the returns came in.

So he would take on this little chore some afternoon when he wasn't too busy and have a report for the group a month hence, when they next met.

About 3 weeks later we got a telephone call from this fellow and he was really in distress. He needed some help. He had some figures but he didn't know how to put them together. Worst of all, after he had got some totals on a few items, he didn't have the first idea of how to move from the sample information, which he had, to the interpretation of that sample for a report on the entire universe. Furthermore, he had found out that it takes quite a little time—and costs quite a little money—to prepare and print a schedule, stuff envelopes, mail it out, and handle the tabulation after the material comes in. Well, it was too late for us to be of very much help to him on this job. But I admired the fellow because he realized when he was stuck, and he didn't do like so many are apt to, that is, bull his way through and come up with a lot of false conclusions.

When you come right down to it, this matter of putting out reports is pretty tricky business. It involves a lot of work and know-how before you start mailing out the questionnaire. Actually, the ultimate success of any survey depends upon how well you have laid your preliminary plans. After you have decided exactly what you want to get, it is no simple matter to phrase the questions so that everybody will understand and answer it the same way.

If it is to be a sample survey, as most of ours are, you have to know a lot about the whole area from which your sample is to be drawn, then design your sampling scheme in a way that will give you a representative coverage from all segments. With these things decided, the mechanical job of getting the schedule printed, preparing the lists, addressing envelopes, providing for return envelopes, and so on, all takes time and costs money. O yes, we have to pay postage, too.

Then, when the returns start coming in, there is the matter of preparing tabulation sheets, tabulating the material from the schedules, summarizing, and all of the things that are necessary to get the material for the final analysis.

And this analysis is something a lot of people forget about. Can you

(Continued on page 12)

Farmers Have Stake In White House Educational Conference

PLANS are now well under way for a White House Conference on Education to be held in Washington this coming Fall. This Conference, under the sponsorship of President Eisenhower, merits the attention of thoughtful farmers and rural leaders, as it will provide an excellent forum for expressing the needs of rural schools. With this important meeting forthcoming, it may be well to take stock of the present educational situation among farm people and to peer a little into the future.

Substantial and steady progress has been made in the education of farm folk. This is best illustrated by looking at educational levels among different age groups.

Farm people aged 20 to 24 years in 1955 averaged 10.5 years of school; those of 45 to 49 years of age had 8.5 years of school, while the average schooling of persons 70 to 74 years old was only 7.5 years.

The difference between age groups is perhaps better appreciated when one considers the change that has occurred in the proportion completing at least 1 year of high school. Only 18 percent of farm folks 70 to 74 years old in 1955 had at least 1 year of high school. They got most of their schooling back in the 1890's and early 1900's. Of those who were 20 to 24 years old and who took their schooling in the 1940's and early 1950's, 60 percent completed 1 or more years of high school.

An interesting sidelight on the education of farm people is the fact that the women are better educated than the men. Furthermore the gap between them appears to be widening, with the younger women now averaging over 1 year more of schooling than men of the same age.

But while farm people have made definite educational strides, for various reasons their schooling has lagged somewhat behind the national average. Many older people living on farms grew up at a time when a grammar school training was all that was considered

necessary in farming. Then too, in sparsely settled or isolated rural areas, secondary schools were often too far from the average farm to make attendance feasible and are still difficult to finance, even today. Farm children, during past years, have also been delayed in their schooling by the necessity to remain at home and help with the farmwork during busy periods of the year.

As a result of all these factors while the adult farm population in the United States has an average of *less than 9 years* of school, the *nonfarm* population has an average of *nearly 11 years*.

Using a somewhat different comparison, there appears to be an educational lag of about 20 years between farming areas and the cities. In other words, the level of education prevailing among young men and women in the cities during the early 1930's (about 10 years of schooling) is the level that is just now being attained by young people on farms.

Modern Farming Requires More Schooling

The significance of education for farm people is obvious in view of the decreasing role of hand labor in agriculture and the increasing need for mechanical skills and managerial ability. The average value in 1950 of farms producing at least \$2,500 worth of products was \$26,500. It requires more than the three R's and the folklore of traditional agriculture for most men to manage successfully a business of such magnitude.

There's more to farming than just having an education. But few will deny that there is a connection between education and successful farming. It is true, some farmers attain success with little formal education. Yet, the records of the last census showed that more than half of the commercial farmers who were high school graduates sold over \$5,000 worth of farm products, but that less than one-fourth

of the farmers with only a grammar school education had as much as \$5,000 worth of sales.

Better schools and a higher regard for education in rural areas have also become imperative because of the fact that agriculture in the United States no longer requires an expanding number of workers. Thus, increasingly large numbers of farm youth have been faced with the necessity of entering industrial and other nonfarm jobs. Too often these young people have found themselves at a serious disadvantage in competing for nonfarm jobs because of lack of schooling or the wrong type of training.

Secretary of Agriculture Ezra Taft Benson recently declared that we must be realistic about the fact "that half of our farm youths are leaving agriculture for nonfarm employment and living," and that "greater emphasis is needed in rural schools on the training of farm youths in nonfarm skills." The extent of the problem varies from one section of the country to another, of course. In general, it appears that the children of successful farm owners are more likely to remain in agriculture than are the children of tenant farmers or low-production owner-operators.

A Look At The Future

The most important problem faced by rural schools is that of building sufficient school facilities and training enough teachers. The birthrate has been up in recent years and the 11.7 million rural children 6 to 17 years old enrolled in school last year will probably grow to 15.2 million by the school year 1960-61. In other words, the schools that farm children attend have got to expand by one-third in only 7 years time. How to achieve this expansion will undoubtedly be a principal topic for the educators and civic leaders who meet in the White House Conference.

One comforting thought in the situation lies in the fact that a larger proportion of all families now have school age children. Thus more people than formerly now have a personal stake in the schools and will support programs for better schools.

If school facilities can be kept

abreast of pupil needs, we can probably look forward to the day, 20 years from now, when more than half of all farmers under 45 years old will be high school graduates and 10 to 15 percent will have some college training. But there is no room for complacency. The gap between the educational levels of farm and city children has not yet narrowed. It can be narrowed if the values of good schooling are impressed upon farm youth and if the problems of rural schools are met with the same vigor and resourcefulness that have characterized other aspects of the American agricultural life.

Calvin L. Beale
Farm Population & Rural Life Branch
Agricultural Marketing Service

Profitable Cow Culling

Dairy Extension Specialist Marvin Senger at Raleigh, N. C., says it's a good idea to use the Dairy Herd Improvement Association herd book as a measuring stick of the producing ability of dairy cows. In comparing North Carolina's top 10 DHIA herds for average butterfat production with the 10 low-producing herds, the top herds produced 443 pounds of butterfat per cow, or 243 pounds more than the low herds.

Owners of cows in the top herds received \$383 more per cow for their milk. And although the top herds had a higher feed cost of \$141 per cow, they still returned \$247 more per cow above the extra feed cost.

Mr. Senger says that 9 percent of the DHIA cows tested in 1953 produced less than 200 pounds of butterfat during the year, while another 15 percent produced between 200 and 250 pounds. "This," he says, "makes a total of 24 percent that should be eliminated for a more profitable dairy business."

Glad To Hear From You—

DO YOU FIND the articles in this magazine of help to you? How can we make the *Agricultural Situation* more helpful? Is there some farm subject you would like to have us cover? Tell us just what you want explained and we will see what can be done about it. Please feel free to write to us at any time. Address: The Editor, *Agricultural Situation*, AMS Information, U. S. Dept. of Agriculture, Washington 25, D. C.

Greater Utilization Of Surplus Foods Is Achieved

DISTRIBUTION of surplus foods to users in this country and abroad was increased substantially during the second half of 1954, according to a detailed report issued January 10 by the United States Department of Agriculture.

The increase was accomplished, the report stated, "through intensified efforts to gain maximum benefits from our food abundance". New legislation enacted by the last Congress played an important part in making possible the increased utilization—particularly in the relief of hunger and need—of foods which have been acquired by the Department in price-support and surplus-removal operations.

Food donations during the July through December 1954 period totaled approximately 442 million pounds, compared with 602 million pounds during the 12-month period from July 1953 through June 1954. Donations to schools, institutions, and needy persons in this country totaled 244 million pounds in the last half of 1954, compared with 418 million pounds during the 12 months of the fiscal year ending June 30, 1954. Donations to United States welfare agencies for distribution abroad totaled 198 million pounds in these last 6 months of 1954, compared with 184 million pounds during all of the previous fiscal year (July 1953-June 1954).

Secretary of Agriculture Ezra Taft Benson, commenting on this year-end report, said: "The success of these efforts to make the best use of our bounty of food is gratifying to all of us who believe that food serves its best purpose when it moves into consumption.

"Reducing the inventory of commodities which has been built up is, of

course, most satisfactorily accomplished by their sale, when that is possible. When it is not, we should take full advantage of the value of those foods which lend themselves to donation programs by making them available to those who can use them and would not otherwise get enough of them.

"Our desire to make full use of our food supply is the principal reason we are pressing for increased use of these foods, both at home and abroad. Fortunately, their increased use also has a market stabilizing effect as it reduces the market burden of inventories, and it also serves to reduce substantially the storage charges which accumulate so rapidly on commodities we hold in inventory."

Domestic Distribution

There was increasing distribution of Government-donated foods during the second half of 1954 as more States took advantage of the availability of these commodities to help more needy persons. In addition, the enactment of the new Public Law 480 helped make a number of commodities continuously available for domestic donation.

Figures on quantities of surplus foods donated for domestic distribution follow:

	Full year 7/1/53 to 6/30/54 Pounds	Half year 7/1/54 to 12/31/54 Pounds
To:		
Schools.....	246,000,000	124,600,000
Charitable in- stitutions....	134,300,000	54,600,000
Needy persons..	37,500,000	64,600,000
Total..	417,800,000	243,800,000

Commodities donated this year include butter, cheese, dry milk, cottonseed oil, shortening, beef and gravy, dry beans, and several other commodi-

ties in smaller amounts for limited distribution.

To make this program most effective, foods distributed are those of maximum benefit to the recipients and most nearly ready for table use.

Since these foods are available only because of price-support and surplus-removal operations, it is obviously not possible nor desirable for the Department to provide all the kinds of food the recipients might need. Although a wide variety of essential foods have been donated, some requests have been made for wheat and corn to be distributed to needy persons. These commodities are storable for long periods and therefore are available for future sale or barter and other important reserve purposes. At the same time, the donations of these commodities would have a very limited impact on the problem of surplus disposal.

Further, the Department does not have authority to process these commodities, and—in view of the administrative difficulties involved—has not authorized their donation. However, in the case of another cereal, rice—which is available in ready-to-cook form—distribution is expected to be made out of Government inventory in the near future. Rice is peculiarly adapted to United States donation.

Distributions to school lunch programs serving more than 10,000 children and to some 1,300,000 persons in charitable institutions and hospitals ran at about the same rate during the last 6 months of 1954 as during the previous fiscal year. But distributions to the "needy persons" group increased, as an aid to victims of drought and hurricane and the unemployed, principally coal miners and railroad workers.

As of December 31, 1954, about 2,620,000 needy persons living outside institutions in 33 States and Alaska had been certified by States to receive commodities. At 4 persons to a family, this represents about 655,000 families. Of this total, approximately one-fourth

are such public assistance recipients as aged, blind, dependent children, etc. As more States took advantage of the availability of these foods and set up the necessary machinery for distribution to drought victims and the unemployed, the States then extended their distribution to include the regular public assistance recipients already on their roles. The other three-fourths of those certified for commodities receive no other form of public assistance.

Pennsylvania had the largest number of persons certified to receive food, over 950,000. Mississippi, Alabama, West Virginia, and Kentucky—in that order—all had close to or above 200,000 persons certified. Others having more than 25,000 persons certified were Michigan, Oklahoma, Iowa, Virginia, Ohio, California, and Utah.

The value of the commodities being distributed, including packaging and transportation, is estimated at nearly \$5,000,000 a month, based on recommended amounts distributed to those in the "needy persons" group certified to receive surplus foods.

Distribution of surplus foods is operated under a plan which follows the policy of full utilization of State government facilities, and the well-established principle that relief for the needy is a primary responsibility of the State government. The Department delivers the commodities, free of cost, in carload lots to States after they have made satisfactory arrangements for distribution. State agencies determine the eligibility of recipients of these foods, and take full responsibility for all distribution within the State.

Foreign Distribution

Increases in the quantities of foods distributed abroad during the last half of 1954 result principally from liberalization of the enabling legislation by the last Congress. Public Law 480 amended previous legislation to permit greater latitude in the use of United States food stocks to aid persons in

Quantities of Surplus Foods Donated for Domestic and Foreign Use

Fiscal year 1954 and estimated first half fiscal year 1955

[In million pounds]

Commodity	Domestic						Foreign distribution		Total distribution	
	Schools		Institutions		Needy persons		Fiscal year 1954	1st half fiscal 1955	Fiscal year 1954	1st half fiscal 1955
	Fiscal year 1954	1st half fiscal 1955	Fiscal year 1954	1st half fiscal 1955	Fiscal year 1954	1st half fiscal 1955				
Butter.....	42.6	25.0	24.2	11.0	4.9	16.0	60.2	41.1	131.9	93.1
Cheese.....	26.7	20.0	13.4	9.0	5.0	12.0	31.0	25.9	76.1	66.9
Dry Milk.....	13.5	14.0	11.0	7.0	5.0	11.0	92.7	109.0	122.2	141.0
Beef and Gravy.....	114.7	22.2	52.7	7.4	10.4	7.4			177.8	37.0
Dry Beans.....	2.0	19.0	5.5	8.0	2.4	11.0			9.9	38.0
Shortening ¹	15.2	16.0	10.0	10.9	3.7	7.1		22.4	28.9	56.4
Other ²	31.3	8.4	17.5	1.3	6.1	.1			54.9	9.8
Total.....	246.0	124.6	134.3	54.6	37.5	64.6	183.9	198.4	601.7	442.2

¹ Includes cottonseed oil.

² Includes several commodities in limited amounts.

friendly countries overseas. The Department is working under this new legislation with United States private welfare agencies and intergovernmental agencies.

Figures on quantities of surplus foods donated for foreign distribution follow:

	Full year 7/1/53 to 6/30/54	Half year 7/1/54 to 12/31/54
Agencies participating ..	18	16
Countries receiving food.	40	41
Total distribution... (lbs.)	183,900,000	198,400,000

Commodities being distributed this year include nonfat dry milk, butter, cheese, shortening, and cottonseed oil. Currently participating agencies are American Friends of Austrian Children, American Friends Service Committee, American Jewish Joint Distribution Committee, American Mission to Greeks, Assemblies of God—Foreign Service Committee, CARE, Church World Service, International Rescue Committee, Iran Foundation, Lutheran World Relief, Mennonite Central Committee, Tolstoy Foundation, Unitarian Service Committee, United Lithuanian Relief Fund of America, United Nations Children's Fund, and War Relief Services.

Countries receiving food are Austria, Belgium, Brazil, Chile, Colombia, Egypt, England, Formosa, France, French Morocco, Germany, Goa, Greece, Haiti, Hong Kong, India, Indo-China, Indonesia, Iran, Israel, Italy, Japan, Jordan, Korea, Lebanon, Liberia, Malay States, Malta, Okinawa, Pakistan, Panama, Paraguay, Peru, Philippine Islands, Ryukyu Islands, Spain, Trieste, Tunisia, Turkey, Venezuela, and Yugoslavia.

This program of foreign distribution is administered by USDA, but the Foreign Operations Administration is responsible for approving the agencies and their programs, and provides funds for payment of ocean transportation for most shipments. Following FOA approval, the agencies submit estimates of their needs, and proposed plans of operation for each country. As commodities are made available to them, the agencies submit orders to USDA. When signed by USDA, these orders become contracts binding the agencies to their terms and conditions.

In accordance with the law, *all requests from the States for domestic donations of foods are met before commodities are made available for use in foreign countries.*

—The End

Pest Control a Sizable Item Among Farm Production Costs

FARMING is still a contest between man and his natural enemies.

Any farmer whose main crop has been cut down by insects or disease knows this well, even though many of us may forget.

Despite the aid of improved varieties and methods which under favorable conditions contribute bountiful harvests, there are enemies that can be counted on to reduce yields and cause extra work, thus making agricultural production less profitable. Prominent among these are the hordes of insects, the hundreds of plant diseases, and the crowding weeds, which require constant vigilance and more know-how each year to kill or control.

It's an expensive contest too. In 1952 the cost to farmers for spraying and dusting crops (and other land), livestock, and buildings was a quarter billion dollars—a large sum, even in this era of high expenditures. And this does not include charges for the farmer's own labor and equipment.

Just how much farm production was saved and what threats to national welfare were eliminated by these control measures is not known. But the story of the extent and cost of what farmers did in a recent year in their battles with farm pests has now been put together in statistical form. The reports of crop correspondents, showing their spraying and dusting practices have made it possible for us to estimate the combined efforts of farmers toward pest control.

Fuller details of the immense scope of this combative phase of farming will be shown in a report to be published soon by the Agricultural Research Service. Two United States Department of Agriculture agencies, the Agricultural Marketing Service and the ARS, cooperated in making the study.

According to this study, the acreage treated one or more times for control of insects, diseases, weeds, and brush in 1952 was more than one-sixth of the combined acreage of principal crops

harvested. It reached a total of around 60 million acres. Cotton treated mainly for insects and small grain crops treated for weeds amounted to half of this acreage.

Challenge Met by Improved Methods

Modern high-pressure sprayers and improved dusters are far more effective in controlling insects and diseases than were the first power sprayers that came into use for orchard protection around 1900. Traction sprayers, which were the first sprayers that did not require manpower for operation, preceded power sprayers by only a little more than a decade. The first chemicals used for crop protection, were applied either by hand or by manually operated equipment. Prior to this farmers often were forced to abandon the growing of some crops in areas of severe pest infestation.

Once improved effectiveness is demonstrated, newly developed pesticides move quickly from trial and testing to common use. Highly mobile ground equipment and use of airplanes have speeded application of the chosen pesticides. Under most conditions effective control is accomplished. But even now the contest is no pushover; the traditional enemies never give up; they renew the attack in varying intensity with each new crop season.

Until recent years crops of high per acre value principally fruit, cotton, vegetables, potatoes and tobacco, accounted for practically all of the spraying and dusting on farms. But with improved equipment and more effective pesticides, together with higher prices for farm products, farmers have found it profitable to treat important acreages of crops of relatively low per acre value.

To treat 3,460,000 acres of tree fruits, nuts, and small fruits, farmers in 1952 spent \$63 million. Cotton was the most extensively treated crop for the control of insects (*see table*). More than

Crops and land sprayed or dusted: Acreage and cost, United States, 1952

Crop	Acreage treated	Times treated	Percentage of acreage treated		Cost per treatment per acre for	
			By farmers ¹	By custom operators ²	Materials applied by farmers ¹	Materials and their application by custom operators ²
<i>Control of Insects and Diseases</i>						
	<i>1,000 acres</i>	<i>Number</i>	<i>Percent</i>	<i>Percent</i>	<i>Dollars</i>	<i>Dollars</i>
Fruit and tree nuts.....	3, 459	4. 55	85	15	3. 20	8. 42
Cotton.....	13, 067	3. 06	68	32	1. 08	2. 72
Vegetable crops.....	2, 270	3. 25	68	32	2. 09	4. 63
Potatoes.....	1, 066	5. 12	91	9	1. 85	3. 86
Tobacco.....	1, 396	2. 92	79	21	1. 75	4. 15
Alfalfa and clover.....	3, 046	1. 27	47	53	1. 42	3. 46
Corn.....	435	1. 08	61	39	1. 40	2. 87
Other crops and land.....	4, 269	1. 42	52	48	1. 97	2. 88
<i>Control of Weeds and Brush</i>						
Small-grain crops.....	17, 126	1. 04	63	37	. 66	1. 84
Corn.....	9, 154	1. 05	75	25	. 69	1. 86
Pastureland.....	2, 192	1. 14	64	36	1. 09	2. 60
Other crops and land.....	2, 629	1. 37	77	23	4. 22	3. 83

¹ Includes spraying and dusting with farmers' own, borrowed, or exchange equipment.

² Includes spraying and dusting done by farmers and others at a charge for labor, equipment, and materials.

13 million acres were treated at a cost of \$64 million.

On most crops spraying and dusting materials were applied mainly by farmers with their own, borrowed, or exchange equipment. Practices varied considerably among areas and among crops. On alfalfa and clover and other miscellaneous crops custom operators applied materials for the control of insects and diseases to about half the area covered.

The number of treatments required for effective control varied widely. For example in some areas, one treatment on potatoes was usually sufficient, while in others up to 20 treatments were used. Many fruit orchards received at least 10 applications to control insects and diseases.

Crop correspondents also reported the cost of spraying and dusting on livestock, and in barns and shelters. To control pests in this part of their operations, farmers spent about \$15 million.

Control of Weeds and Brush

Since 1940 the use of many chemicals and specialized equipment for their ap-

plication has been of increasing aid to farmers in their fight against weeds and brush. In areas where airplane equipment could be used, hundreds of acres of small grain or pasture land have been treated in a matter of minutes.

In 1952 more than 31 million acres of crops and land were treated for control of weeds and brush at a cost of \$48 million. Small grain crops and corn represented about 85 percent of the area treated.

Farmers' material costs per acre on "other crops and land" averaged higher than charges of custom operators for both materials and application. This was mainly because tobacco plant bed treatment—higher in cost per acre—was nearly all done by the farmer.

Even with the large expenditures shown, pests give little indication of discouragement. On the contrary, new ones present themselves, keeping men in both agriculture and industry busy tackling new problems. Thus the contest continues without letup.

Paul E. Strickler
Production Economics Branch, ARS
Harold C. Phillips
Field Crops Statistics Branch, AMS

"Bert" Newell's Letter

(Continued from page 4)

imagine what a person who had never had any experience or knowledge about farming operations would do with some of the material that you supply us? Well, we have seen some conclusions drawn by otherwise good statisticians—that's why all of our technical staff are required to have a farm background, and to know agriculture.

Well, I've said enough about this subject so you at least realize that this business of crop and livestock reporting isn't as simple as it sounds, or as it may look to you when you pick up your crop report, or price report, or cattle-on-feed or broiler report, or one of the other 500-odd reports which we issue during the year. Knowing all these things it isn't any wonder that we are rather careful before we barge into a new job.

Not the least of our considerations is our concern over the load that would be placed on you—our crop, livestock, and price reporters—when a new job comes up. I'll bet you'd be surprised if you knew how many requests we get for additional reports and how often we have to say "No" to these requests.

So you see why I said that I should have known better than to blow off so quick and take on a job of oiling that typewriter when I really didn't know what I was up against.

I worked for about an hour on the oiling job but still didn't get the carriage working just like it should. So the next morning I confessed to my wife and told her that I had left the oil on the typewriter table. That evening she told me everything was all right except that I had overlooked putting a drop of oil on the *tension* spring, or whatever you call the little gadget that pulls the carriage forward as you type. I hope next time I'll be a little more careful.

S. R. Newell, Chairman
Crop Reporting Board, AMS

THERE is no wealth but life—life including all the powers of love, joy, and admiration. That country is richest which nourishes the greatest number of loyal, happy human beings. That man is richest who, having perfected the functions of his own life to the utmost, has the most widely helpful influences—both personally and by means of his possessions—over the lives of others.

—Something Remembered

Farmers Want To Know—

OUR "Glad To Hear From You" note in a recent issue of *The Agricultural Situation* has brought a number of letters from our readers indicating interest in farm subjects. If enough of these letters come in, we may be able to get help from them in selecting the kind of articles most useful for future issues.

Typical of several "Want-to-know" letters is one from a farmer's wife in Minnesota. She wants to know "*how come* meat can stay so high in butcher shops and on meat counters . . . when Canner and Cutter cows are being sold at only 5 to 8 cents a pound?"

"Now we all know," says she, "that the bologna, and sandwich meat, and wieners are made out of this meat with a lot of flour and water added. I know because I've made it myself, and it's a lot better than what can be bought at the stores. Say, if they sold these meats at 20 cents a pound, they would still be making a good margin. Who's getting all of this extra money and where is it going?"

A quick answer to this farm woman's question is that one of these low-grade cows yields only about two-thirds as much meat as a better grade animal. In buying cows on the hoof, the buyer has to take into consideration how much is meat and how much is waste. Moreover, many marketing services have to be performed to convert the farm product into products bought by consumers.

But there's a little more to it than that. The editor asked agricultural economist Forrest E. Scott, of the Marketing Organization and Costs Branch, AMS, to answer the letter, and here, in part, is what he wrote:

" . . . approximately 90 pounds of boneless, raw meat are required to make 100 pounds of beef bologna and beef frankfurters, two of the products in which meat from Canner and Cutter cows is used. Canner and Cutter cows yield about 28 pounds of edible,

Eggs Again Head Plentiful List

BECAUSE egg supplies will continue at the high level established in January, eggs get feature attention on USDA's Plentiful Foods list for February. AMS marketing specialists who prepare the list each month to encourage consumption of plentiful farm products, will place major emphasis throughout February on moving heavy supplies of eggs to consumers through normal trade channels.

Newcomers to the plentifuls list this month include carrots, lettuce, canned corn, and canned snap beans, both green and wax varieties. With winter carrot production expected to be about 6 percent larger than last year, and the winter lettuce crop in California and Arizona likely to exceed 1949-53 average production by 4 percent, these fresh vegetables will be in ample supply this month. Heavy carry-over stocks of canned corn and snap beans, and estimated high level packs for 1954, put the 2 canned vegetables on February's plentifuls roster.

Fishery products on the February list include frozen haddock filets, frozen halibut, shrimp, and canned tuna. Fresh and processed oranges and grapefruit, and raisins are abundant fruits this month, while dairy products, large-sized turkeys, and lard continue in liberal supply. Vegetable fats and oils, rice, and almonds are other foods receiving attention on the February list.

boneless meat for every 100 pounds of their live weight. Thus, 100 pounds of live weight cow makes about 31 pounds of the finished product; or, to put it in another way, 1 pound of these finished products requires about 3.2 pounds of the farm product.

"You wrote that prices for Cannery and Cutters range from 5 to 8 cents in your community. If the farmer receives 7 cents per pound live weight, then the payment to him for the farm product required to make 1 pound of bologna or frankfurters is 22.4 cents. However, slaughterers sell the hide and other inedible byproducts of these cows as well as the meat used in the finished product. The value of these byproducts may be as much as 15 percent of the total value of products derived from the slaughtered cow. Thus, the payment for the meat in the finished product actually is somewhat less than 22.4 cents, perhaps as much as

15 percent less, which would be about 19 cents.

"In addition to the cost of the meat, there are other raw material costs. And there are charges for slaughtering, for processing, and for shipping the live animals and the finished products. Added to this, of course, are the charges for wholesaling and retailing."

It is certainly desirable to decrease spreads between prices farmers receive and prices consumers pay. And Mr. Scott pointed out in his letter that efforts are being made to do this "by increasing the efficiency of the marketing system." The United States Department of Agriculture, the State Agricultural Colleges, private marketing firms and others are studying the problems.

—Editor

Outlook Highlights

(Continued from page 2)

Although egg supplies this spring will be less than seemed likely earlier, they will continue large. Broiler marketings declined in recent weeks, reflecting the reduction in chick placements last October. Prices rose from 17 to 20 cents in early December to 22 to 25 cents in early January.

Farmers' intentions in January were to raise 11 percent fewer lightweight turkeys than in 1954, but about the same number of heavy-breed turkeys. Hatchings and testings of breeders to date, however, indicate the possibility of a larger output than is shown by the intentions report, particularly for heavy breeds.

Fats and Oils

Exports of soybeans were a record in October-December and domestic demand has been strong. There has been some tendency for growers to hold their beans for higher prices. Prices to farmers so far this crop year have averaged well above support despite the record 1954 crop. Cottonseed prices also have been above support reflecting reduced supplies and strong demand for the products.

Feed Grains

Feed grain prices have strengthened this fall and winter, despite larger sup-

plies. Main reason is the record quantity of oats, barley, and sorghum grain placed under loan and purchase agreement. Much less corn has gone under support than last year because of the smaller crop and the fact that less than half the producers in the commercial area are eligible for loans. However, most of the large stocks of old corn are held by the CCC.

Wheat

Cash prices of wheat are at about the highest level so far this season. Average received by farmers in mid-December was third highest since 1919. Strength in the wheat market results

from the fact that supplies outside the support program are relatively small.

Rice

Secretary of Agriculture has proclaimed acreage allotments and marketing quotas for the 1955 rice crop. Reports on the referendum, held January 28, show that rice growers have approved marketing quota for the 1955 crop. The allotment of 1.9 million acres is a fourth below the 1954 planted acreage and a tenth below average for last 5 years.

(Continued on page 16)

Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Agricultural Marketing Service. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	Average		Jan. 15, 1954	Dec. 15, 1954	Jan. 15, 1955	Effective parity price, Jan. 15, 1955 ²
	Base period price ¹	January 1947- Decem- ber 1949				
Basic commodities:						
Cotton, American upland (pound)-----cents..	³ 12.4	31.21	30.05	32.67	32.51	35.22
Wheat (bushel)-----dollars..	4.884	2.14	2.03	2.12	2.14	2.51
Rice (cwt.)-----do.....	1.93	5.38	⁵ 5.42	4.63	4.46	5.46
Corn (bushel)-----do.....	⁴ 642	1.64	1.42	1.39	1.40	1.82
Peanuts (pound)-----cents..	⁴ 4.8	10.2	11.1	12.5	12.6	13.6
Designated nonbasic commodities:						
Butterfat in cream (pound)-----do.....	26.1	71.2	65.9	58.1	57.5	73.9
All milk, wholesale (100 lb.) ⁶ -----dollars..	1.66	4.42	⁵ 4.38	4.33	⁷ 4.19	4.70
Wool (pound)-----cents..	(⁸)	46.0	53.1	50.7	50.0	(⁸)
Other nonbasic commodities:						
Barley (bushel)-----dollars..	.475	1.37	1.16	1.09	1.09	1.34
Cottonseed (ton)-----do.....	25.20	71.60	52.00	59.60	56.80	71.30
Flaxseed (bushel)-----do.....	1.58	5.54	3.64	3.04	3.00	4.47
Oats (bushel)-----do.....	.305	.852	.779	.767	.768	.863
Potatoes (bushel)-----do.....	⁹ 517	1.48	⁸ 701	1.05	1.13	1.46
Rye (bushel)-----do.....	.594	1.82	1.17	1.14	1.18	1.68
Sorghum, grain (100 lb.)-----do.....	.897	2.53	2.29	2.22	2.26	2.54
Soybeans (bushel)-----do.....	1.03	2.84	2.83	2.57	2.58	2.91
Sweetpotatoes (bushel)-----do.....	.981	⁵ 2.35	⁵ 2.51	⁵ 2.54	2.83	2.78
Beef cattle (100 lb.)-----do.....	7.55	20.20	16.00	15.60	16.20	21.40
All chickens (pound)-----cents..	10.3	29.3	23.8	17.6	22.2	29.1
Eggs (dozen)-----do.....	16.4	46.6	46.3	32.7	32.2	46.4
Hogs (100 lb.)-----dollars..	7.55	21.90	24.60	17.00	17.00	21.40
Lambs (100 lb.)-----do.....	8.28	21.90	18.60	17.50	18.50	23.40
Calves (100 lb.)-----do.....	8.28	22.60	17.80	15.90	17.20	23.40
Oranges, on tree (box)-----do.....	¹⁰ 2.29	1.23	1.06	1.11	1.01	¹¹ 2.88
Apples, for fresh use (bushel) ¹² -----do.....	1.00	2.39	3.19	2.96	3.03	2.83
Hay, baled (ton)-----do.....	8.43	22.40	23.80	23.30	23.50	23.90

¹ Adjusted base period prices 1910-14 used for computing parity prices. Derived from 120-month average January 1945-December 1954 unless otherwise noted.

² Parity prices are computed under the provisions of title III, subtitle A, section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Acts of 1948 and 1949.

³ 60-month average, August 1909-July 1914, for all cotton.

⁴ 60-month average, August 1909-July 1914.

⁵ Revised.

⁶ Prices received by farmers are estimates for the month.

⁷ Preliminary.

⁸ Sufficient data not available at this time for estimating 1954 season average price needed for computation of parity price.

⁹ Adjusted base period price 1910-14 derived from 10-season average prices 1945-54.

¹⁰ 10-season average 1919-28.

¹¹ Transitional parity, 70 percent of parity price computed under formula in use prior to Jan. 1, 1950.

¹² Prices prior to July 1954 include some processing.

Economic Trends Affecting Agriculture

Year and month	Industrial production (1947-49=100) ¹	Total personal income payments (1947-49=100) ²	Average earnings of factory workers per worker (1910-14=100)	Wholesale prices of all commodities (1910-14=100) ³	Index numbers of prices paid by farmers (1910-14=100)			Index numbers of prices received by farmers (1910-14=100)			
					Commodities	Wage rates for hired farm labor ⁴	Commodities, interest, taxes and wage rates	Livestock and products			
								Dairy products	Poultry and eggs	Meat animals	All livestock
1910-14 average.....	-----	-----	100	100	100	100	100	100	100	100	100
1925-29 average.....	53	-----	232	143	151	184	161	161	155	145	152
1935-39 average.....	54	34	199	118	124	121	125	119	110	117	116
1947-49 average.....	100	100	462	225	240	430	250	275	229	334	292
1951 average.....	120	126	563	258	271	470	282	286	228	409	336
1952 average.....	124	134	593	251	273	503	287	302	206	353	306
1953 average.....	134	142	624	247	262	513	279	273	221	298	273
1954 average.....	125	-----	624	248	264	510	281	252	175	295	257
<i>1954</i>											
January.....	125	141	618	249	263	525	282	274	213	309	277
February.....	124	141	622	248	264	-----	282	267	208	315	277
March.....	123	141	617	248	264	-----	283	257	188	316	271
April.....	123	141	612	249	265	507	283	237	178	333	271
May.....	124	142	620	249	267	-----	284	230	168	331	267
June.....	124	142	625	247	265	-----	282	229	168	299	251
July.....	123	141	619	248	263	505	280	237	171	286	247
August.....	123	141	620	248	264	-----	282	245	178	287	251
September.....	124	142	626	247	263	-----	280	253	162	277	245
October.....	126	142	630	246	262	502	279	263	153	267	242
November.....	129	142	641	247	262	-----	279	266	159	266	243
December.....	130	-----	646	246	261	-----	279	264	156	257	237
<i>1955</i>											
January.....	-----	-----	-----	-----	264	521	283	258	163	263	240

Year and month	Index numbers of prices received by farmers (1910-14=100)									Parity ratio ⁵
	Crops								All crops and live-stock	
	Food grains	Feed grains and hay	To-bacco	Cotton	Oil-bearing crops	Fruit	Com-mercial vege-tables	All crops		
1910-14 average.....	100	100	100	100	100	100	-----	100	100	100
1925-29 average.....	140	118	169	150	135	146	145	143	148	92
1935-39 average.....	94	96	172	87	113	91	107	98	108	86
1947-49 average.....	246	230	384	264	318	183	249	247	271	108
1951 average.....	243	226	436	336	339	181	269	265	302	107
1952 average.....	244	234	432	310	296	191	274	267	288	100
1953 average.....	231	208	429	268	274	206	240	242	258	92
1954 average.....	232	206	439	274	279	222	228	244	250	89
1954										
January.....	233	207	420	254	268	222	271	240	259	92
February.....	236	208	443	258	269	210	233	237	258	91
March.....	238	208	443	263	275	212	246	239	256	90
April.....	234	208	443	267	283	217	225	240	257	91
May.....	227	207	446	272	286	215	279	249	258	91
June.....	216	205	445	274	283	240	200	244	248	88
July.....	225	202	446	272	286	228	243	248	247	88
August.....	228	207	430	288	294	235	223	250	251	89
September.....	233	210	444	292	276	248	170	247	246	88
October.....	235	204	441	293	275	218	191	243	242	87
November.....	239	199	438	281	277	206	237	244	244	87
December.....	239	202	430	276	279	207	216	241	239	86
1955										
January.....	241	204	425	275	274	222	263	248	244	86

¹ Federal Reserve Board: represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

² Computed from reports of the Department of Commerce; monthly data adjusted for seasonal variation.

³ Bureau of Labor Statistics.

⁴ Farm wage rates simple averages of quarterly data, seasonally adjusted.

⁵ Revised.

⁶ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates. This parity ratio will not necessarily be identical to a weighted average percent of parity for all farm products, largely because parity prices for some products are on a transitional basis.

Outlook Highlights

(Continued from page 14)

Fruit

Fewer oranges were processed up to Christmas than a year earlier; but demand from processors the rest of the winter probably will be as strong as last. This indicates steady and possibly rising prices for Florida growers. About the same prices as a year ago are expected for grapefruit this winter. Supplies will be about the same as in the winter of 1954.

Potatoes

Stocks of 1954 crop potatoes on January 1 were down 8 percent from a year earlier while the winter crop is down about 2 percent. The smaller supplies probably mean considerably higher prices the next few months than the very low prices a year earlier. Acreage for the late-spring crop is indicated to be a seventh above year earlier.

Cotton

Disappearance of cotton this year is expected to total about 13½ million bales—domestic mill consumption 9 million and exports 4½ million. Last year exports totaled 3.8 million and mill consumption 8.6 million.

With the 1954-55 supply estimated at 23.3 million bales, carryover when the season ends next July 31 is expected to be about 9.8 million bales—about 200,000 more than a year earlier.

Farm Real Estate

Prices of farm land strengthened in the central Corn Belt during the 4 months ending November 1, but in most other States they drifted moderately lower. For the country as a whole, the index of average value per acre advanced to 124 (1947-49=100), 1 per-

cent above last July and 2 percent above November 1953. New all-time peaks were reached in 6 States last November, and in 16 other States values were within 5 percent of their previous highs. Most of these States were in the central Corn Belt or along the eastern seaboard from New Jersey to Florida. Largest declines have been in the Mountain and Pacific Coast regions where the November level averaged 15 percent lower than the previous peak.

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